



City of San Diego



Airports Division





Brown Field Airport

- Brown Field Airport (SDM): approximately 880 acres.
- In 2008, the airport recorded approx. 110,000 aircraft operations.
- Longest civilian runway (8,000 ft) in San Diego County outside of Lindbergh Field.



Otay Mesa Community

- Otay Mesa has become California's largest commercial land border port and one of the busiest commercial land border crossings in the United States.
- Plans are already underway in East Otay Mesa to establish a high technology business park.
- With three major freeways, a higher education center and over 11,000 homes under development in the area, Brown Field is set to become a regional economic engine for both commerce and industrial development.



Request for Qualifications

- December 2006, The City issued a Request for Qualifications (RFQ).
- The RFQ was advertised nationally:
 - American Association of Airport Executives (AAAE)
 - Aviation Week & Space Technology
 - San Diego Daily Transcript
 - National Real Estate Investor
 - San Diego Business Journal
 - Trade-a-Plane
 - Wall Street Journal
 - Over 100 direct mail flyers were sent nationwide to prospective developers.
- Larger scale proposals were encouraged, however aviation uses should occupy the initial development area.



City of San Diego

Initial Development Opportunity

Larger scale proposals were encouraged





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View of the initial development Area...





The Respondents

- Six respondents to the RFQ.
- The two most qualified respondents were selected to respond to the RFP.
- An evaluation team with representatives from:
 - The Airport Authority
 - Otay Mesa Planning Group
 - Otay Mesa Chamber of Commerce
 - City Planning and Finance
 - The Airport Advisory Committee
 - General Aviation representing Brown Field Pilots
 - City Council Office
- Distinctive Projects Company (DPC) was selected for the development opportunity.



Brown Field Development

- Will accommodate future aviation demand.
- Phase out non-aviation uses.
- Utilize an underperforming City asset.
- Support a burgeoning Otay Mesa Community.
- Encourage economic development.
- Sustain financial self-sufficiency for airport.



Community Outreach

- May 03, 2007 - Airports Advisory Subcommittee
- May 08, 2007 - Airports Advisory Committee@ Experimental Aircraft Association
- May 16, 2007 - Otay Mesa Planning Group
- May 23, 2007 - Airports Advisory Subcommittee
- May 25, 2007 - Airports Advisory Subcommittee
- May 26, 2007 - Experimental Aircraft Association Forum
- May 31, 2007 - Airports Advisory Subcommittee
- June 05, 2007 - Airports Advisory Committee
- July 11, 2007 - Land Use and Housing Committee
- July 18, 2007 - Otay Mesa Planning Group
- July 26, 2007 - Otay Mesa Chamber of Commerce
- Aug 15, 2007 - Otay Mesa Planning Group
- Aug 18, 2007 - Experimental Aircraft Association Forum



Community Outreach

(Cont.)

- Sept 19, 2007 - *South County Economic Development Council*
- Sept 23, 2007 - *Ocean View Hills Founders' Day Community Fair*
- Oct 17, 2007 - *Otay Mesa Planning Group*
- Nov 20, 2007 - *Airports Advisory Committee*
- Jan 23, 2008 - *Land Use and Housing Committee*
- March 6, 2008 - *San Diego County Regional Airport Authority*
- July 16, 2008 - *Otay Mesa Chamber of Commerce & South County EDC*
- August 19, 2008 - *Federal Aviation Administration ("FAA")*
- Sept 4, 2008 - *San Diego Regional Chamber of Commerce Infrastructure & Special Projects Committee*
- Sept 17, 2008 - *Land Use and Housing Committee*
- Dec 9, 2008 - *San Diego Regional Chamber of Commerce Transportation Committee*
- Jan 20, 2009 - *San Diego Regional Chamber of Commerce Public Policy Committee*
- Feb 17, 2009 – *FAA Airports District Office*



Why Develop Brown Field Now?

- Demonstrates City's commitment to Brown Field.
- FAA will require only aviation uses in the initial RFP sites.
- Development will conform to the Airport Layout Plan.
- Development will support regional aviation planning with Airport Authority and RASP.
- Master Plan takes five years minimum.



Current State of Brown Field

- Only one FBO that can service jet aircraft.
- No maintenance facilities for jet aircraft.
- FAA strongly discourages monopolies on airports.



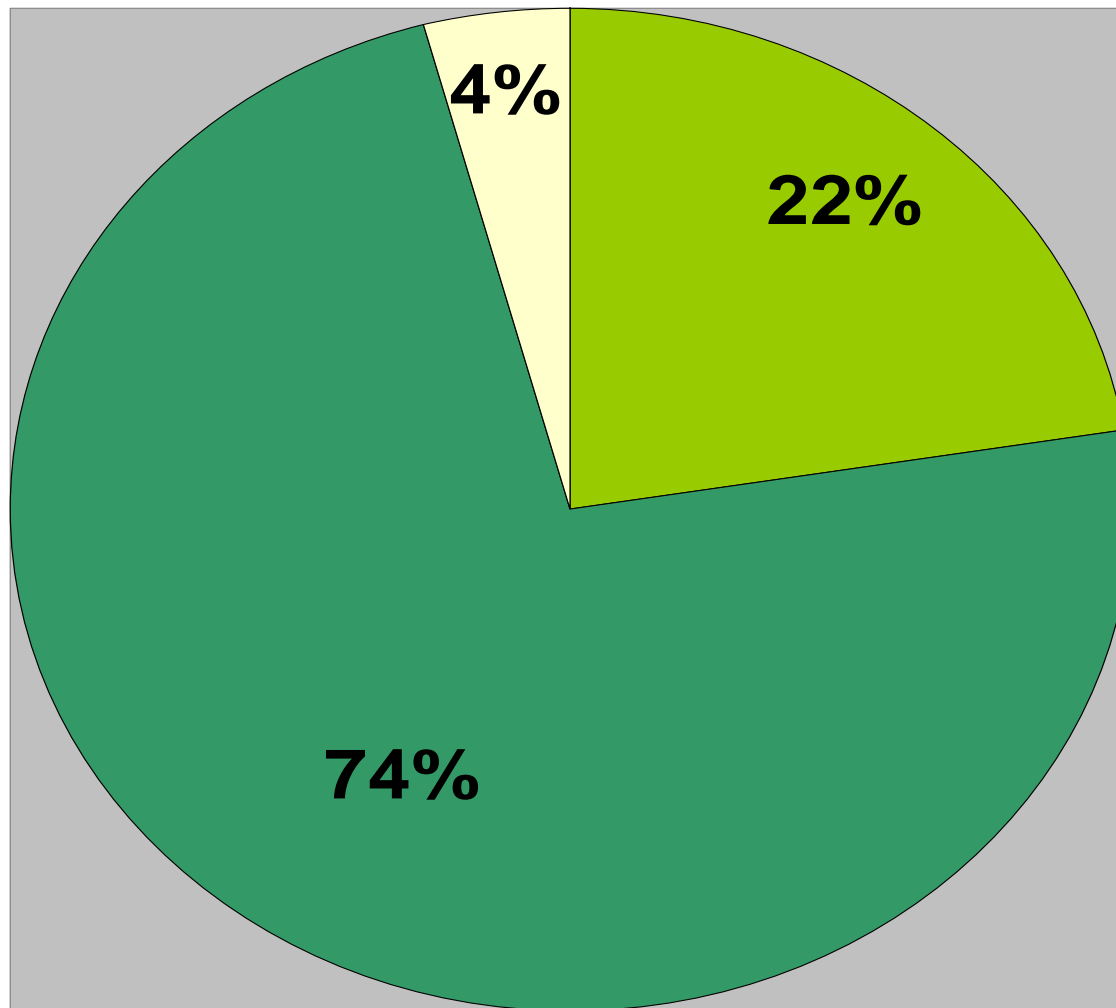
Needed Infrastructure

- Restore pavement.
- Upgrade electrical and lighting system.
- Water and sewer.
- Drainage.
- Demolish obsolete structures.
- Requires over \$22 million.
- New development will help fund these projects.



City of San Diego

74% of Revenue is from Non-Aviation



■ Aviation
■ Commercial
■ Other



Exclusive Negotiation Agreement (ENA)

- ENA will allow DPC two years to complete the following tasks :
 - Negotiate lease/development agreement.
 - Commence Environmental Review (EIR).
 - Submit Planned Development Permit.
 - Seek approval Section 7 Biological Opinion from Fish and Wildlife Service.
 - Perform water and sewer study.
 - Present project documents to City Council for approval.
 - Re-align an existing lease to accommodate new airport entrance.



City's Obligations in the ENA

- Negotiate exclusively with DPC for property identified in ENA for two years.
- Use reasonable efforts to form Infrastructure Financing Dist.
- Request FAA approval of development in Airport Layout Plan.
- Apply standard lease terms.
- Work cooperatively with Airport Authority and SANDAG to ensure consistency.



DPC's Obligations in the ENA

- Submit within 10 days a financing plan for the two year period ENA period.
- Compensate City \$100,000 for two years of negotiations.
- Commission environmental review within 180 days.
- Submit a Planned Development Permit application within 180 days.
- Use reasonable efforts to form Infrastructure Financing Dist.
- Assist City in obtaining FAA approval of development in Airport Layout Plan.
- Work cooperatively with Airport Authority and SANDAG to ensure consistency.



Timeline

2007

- July 12: Issue RFP to Finalists
- Oct 1: Proposals Due
- Oct 2-Dec 12: Evaluation by Selection Committee
 - Selection Committee: Staff, Council District 8, AAC, Otay Mesa Planning Group, Otay Mesa Chamber of Commerce, Community Stakeholders, Pilots

2008

- Jan 23: Authorization from City Council Committee to exclusively negotiate
- Jan 24 – June 09: Negotiate ENA agreement with selected developer

2009

- July: ENA to City Council

2011

- July: Agreement and EIR to City Council of consideration